



ARIZONA STATE SENATE
Fifty-Second Legislature, Second Regular Session

FINAL AMENDED
FACT SHEET FOR S.B. 1220

~~game and fish; technical correction~~
(NOW: tribal college compact; renewal)

Purpose

Extends the terms of tribal community college compacts and allows the compacts to be amended and renewed in the fourth year prior to the expiration of the compact.

Background

Laws 1999, Chapter 183 allows tribes to receive \$1,750,000 or 10 percent of the Transaction Privilege Tax (TPT) revenues collected from all sources located on the reservation, whichever is less. These monies provide tribal community colleges with funding for maintenance, renewal and capital expenses. Statute also allows any additional technical college located on the same reservation to receive \$875,000 or 5 percent of the TPT revenues collected from sources located on the reservation, whichever is less.

In order to receive funding, tribes must enter into a compact with the Executive. The Navajo Nation is the only tribe to have entered into a compact and therefore Diné College and Navajo Technical College are the only community colleges currently eligible to receive funding. The only other tribal community college in the state, the Tohono O'Odham Community College, has until September 1, 2017, to enter into a compact with the state to receive this funding.

The initial compact is valid for 10 years and after a Joint Legislative Budget Committee (JLBC) review in the final year of its term, the compact may be extended for up to 10 years. According to JLBC, the FY 2017 Baseline assumes the maximum amounts allowable, \$1,750,000 and \$875,000, will be distributed to Diné College and Navajo Technical College respectively. The compact with the Navajo Nation is set to expire in 2020.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Extends the initial term of the compact from at least 10 years to at least 20 years.
2. Requires the compact to be reviewed by JLBC in the fourth year prior to the expiration of the compact, instead of in the final year of the compact, and allows for the following:
 - a) the compact to be amended; and
 - b) the compact to be renewed for at least 20 years instead of up to 10 years.

3. Specifies amended and renewed compacts are signed by the Governor and the Chairman, President or Governor of the qualifying Indian tribe.
4. States the terms, conditions, rights and responsibilities of the current tribal college compact are not affected by this act.
5. Becomes effective on the general effective date.

Amendments Adopted by Committee

- Adopted the strike everything amendment.

Amendments Adopted by the House of Representatives

- Specifies amended and renewed compacts are signed by the Governor and the Chairman, President or Governor of the qualifying Indian tribe.

Amendments Adopted by Conference Committee

- Includes a savings clause.

Senate Action

ED	2/18/16	DPA/SE	7-0-0
3 rd Read	2/29/16		28-2-0
Final Read	4/28/16		29-0-1

House Action

GHE	3/10/16	DPA	6-0-0-3
3 rd Read	3/30/16		50-6-4
Final Read	5/7/16		52-2-6

Signed by the Governor 5/11/16
Chapter 148

Prepared by Senate Research
April 14, 2016
CB/ljs